

Club B + H

~~Partament Party Zone~~

Execution of Pack Sales

Menthal Spring 1996

New York & Philadelphia

~~Phoenix~~

- GMR has obtained written permission from each club to sell product on-premise.

~~Phoenix~~

- GMR has tax identification numbers and necessary state/city permits to sell product.

~~Phoenix~~

- GMR will purchase product directly from a local wholesaler and enter into inventory.

~~Phoenix~~

- GMR will sell product at each promotion. Two to three persons ("Cigarette Girls") will circulate throughout the club. Each will be accompanied by a surveyor who identifies, surveys and wristbands consumers 21+ who are smokers. The surveyor will verbally convey the pack discount offer to qualified consumers. Product will also be available for purchase at the program table, located near the entrance of the club — the pack discount offer will be conveyed by a counter card on the table.

*don't include
in advertising
to reflect 50%
discount*

- At the end of each weekend, the GMR manager obtains a cashier's check or money order for the amount of product sold that weekend. The check is mailed to GMR Phoenix Accounting Department, with a weekly sales report, where it is kept in a GMR safe, until program completion.
- At the end of the program, GMR reconciles remaining inventory with sales reports. PM reimburses GMR for the difference between actual wholesale price vs. discount price, plus sales taxes and permit fees paid by GMR.

Boston

- This market is different from New York and Pennsylvania, however, the system we used in 1995 worked very well.

- GMR cannot sell product in MA. Each club will be required to have an over-the-counter permit. GMR will hire an off-duty club employee to manage pack sales during the promotion, with oversight by the GMR manager.

*OK as revised
DMM 5/7/96*

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